

MAY 17 1962

## CANADIAN STOCK EXCHANGE

Date To Be Listed: April 30th, 1962  
 Ticker Abbreviation: "MHM"

## MALARTIC HYGRADE GOLD MINES LIMITED

Application is made by the undersigned Company for the listing of 5,000,000 shares of its Capital Stock:

1. Under what laws incorporated: Ontario.
2. Date of incorporation: July 21, 1961.
3. Dates of Supplementary Letters Patent: None.
4. Address of the Company's Head Office and of any other offices:  
 Head Office — Suite 608, 80 Richmond Street West, Toronto, Ont.  
 Mine Office — Room 100, Chateau Inn, Val d'Or, P.Q.
5. Officers and Directors of the Company:

| NAME                          | OFFICE HELD          | ADDRESS   | OCCUPATION              |
|-------------------------------|----------------------|---|-------------------------|
| GERARD PAQUETTE.....          | President.....       | Chateau Inn,<br>Val d'Or, P.Q.....                        | Prospector              |
| NIELS AE ANDERSEN.....        | Vice-President ..... | R.R. #1, Littlewood Farm,<br>Shanty Bay, Ont.....         | Prospector              |
| HAROLD PAUL HENDERSON.....    | Chairman .....       | 33 Hi Mount Drive,<br>Willowdale, Ont.....                | Business<br>Consultant  |
| JUDITH PATRICIA CAPLAN.....   | Secretary .....      | Apt. 417,<br>665 Roselawn Avenue,<br>Toronto 12, Ont..... | Secretary               |
| WILLIAM DONALD BURTON FREER.. | Treasurer.....       | 8 Lozoway Drive,<br>Scarborough, Ont.....                 | Sales<br>Representative |

6. Amount of authorized capital: \$5,000,000.
7. Number of shares and par value: 5,000,000 shares at the par value of \$1.00 each.
8. Full details of all shares issued in payment for properties or for any other assets other than cash:

By agreement dated September 8th, 1961, the Company purchased all of the assets and undertaking of Lavandin Mining Company in consideration of the issue by the Company to it of 2,898,261 shares. By this agreement the Company also agreed to assume the liabilities and obligations of Lavandin Mining Company which liabilities aggregated \$3,619.94.

9. Total number of shares issued for cash: 255 shares at \$1.00 per share.
10. Number of shares issued: 2,898,516.
11. Number of shares now in treasury or otherwise unissued: 2,101,484.



# CANADIAN STOCK EXCHANGE

| 12. Date of last annual meeting.  | None held as yet.  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
|---|--|---------------|-------------------|-------|-----------------|-----------------|--------|--------|--------------|----------------|--------|-----------------|----------|--------|-----------------|------|--------|--------------|------|--------|-----------------|------|--------|--------------|------|----------------|--|--|----------|-----------------|-----------------|-------|-----------------------|-------|-------------------|-------|---------------|-------|-----------------------------|-------|------------------|-------|--------------|-------|--|---------------|
| 13. Date of last report to Shareholders.  | December 30th, 1961.   |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 14. Full details of all shares sold for cash by the Company previous to this application, giving dates, number of shares, price per share and total amount realized on each individual issue. | <table><thead><tr><th>DATE</th><th>NO. OF SHARES</th><th>PRICE</th><th>AMOUNT REALIZED</th></tr></thead><tbody><tr><td>July 21/61.....</td><td>5</td><td>\$1.00</td><td>\$ 5.00</td></tr><tr><td>Jan. 4/62.....</td><td>250</td><td>\$1.00</td><td>\$250.00</td></tr></tbody></table> <p>250 shares of the capital stock of this Company were issued, as shown above, to Mr. Daniel E. Warner at \$1.00 per share. It was necessary to issue these shares as the result of an error which was made by the former Lavandin Mining Company.</p>  | DATE          | NO. OF SHARES     | PRICE | AMOUNT REALIZED | July 21/61..... | 5      | \$1.00 | \$ 5.00      | Jan. 4/62..... | 250    | \$1.00          | \$250.00 |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| DATE  | NO. OF SHARES  | PRICE         | AMOUNT REALIZED   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| July 21/61.....   | 5  | \$1.00        | \$ 5.00           |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Jan. 4/62.....  | 250  | \$1.00        | \$250.00          |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 15. Particulars of any issued shares held in trust for the company or donated for treasury purposes.  | None.  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 16. Details of any treasury shares or shares issued subject to payment now under option or the subject of any underwriting or sales agreement. If none, this to be stated.                    | <p>By agreement dated Sept. 8, 1961 the Company has granted to seven of its officers, employees and consultants options to purchase a total of 154,000 shares, the particulars of which are as follows:</p> <table><thead><tr><th>NO. OF SHARES</th><th>DATES EXERCISABLE</th><th>PRICE</th></tr></thead><tbody><tr><td>22,000</td><td>April 1, 1962</td><td>\$1.00</td></tr><tr><td>22,000</td><td>July 1, 1962</td><td>2.00</td></tr><tr><td>22,000</td><td>October 1, 1962</td><td>3.00</td></tr><tr><td>22,000</td><td>January 1, 1963</td><td>4.00</td></tr><tr><td>22,000</td><td>July 1, 1963</td><td>5.00</td></tr><tr><td>22,000</td><td>January 1, 1964</td><td>6.00</td></tr><tr><td>22,000</td><td>July 1, 1964</td><td>7.00</td></tr><tr><td><u>154,000</u></td><td></td><td></td></tr></tbody></table><br><table><thead><tr><th>OPTIONEE</th><th>SHARES ALLOTTED</th></tr></thead><tbody><tr><td>Gerard Paquette</td><td>5,000</td></tr><tr><td>Harold Paul Henderson</td><td>5,000</td></tr><tr><td>Niels Ae Andersen</td><td>5,000</td></tr><tr><td>Judith Caplan</td><td>2,000</td></tr><tr><td>William Donald Burton Freer</td><td>1,000</td></tr><tr><td>Walter N. Ingham</td><td>2,000</td></tr><tr><td>Oliver Hamel</td><td>2,000</td></tr><tr><td></td><td><u>22,000</u></td></tr></tbody></table> | NO. OF SHARES | DATES EXERCISABLE | PRICE | 22,000          | April 1, 1962   | \$1.00 | 22,000 | July 1, 1962 | 2.00           | 22,000 | October 1, 1962 | 3.00     | 22,000 | January 1, 1963 | 4.00 | 22,000 | July 1, 1963 | 5.00 | 22,000 | January 1, 1964 | 6.00 | 22,000 | July 1, 1964 | 7.00 | <u>154,000</u> |  |  | OPTIONEE | SHARES ALLOTTED | Gerard Paquette | 5,000 | Harold Paul Henderson | 5,000 | Niels Ae Andersen | 5,000 | Judith Caplan | 2,000 | William Donald Burton Freer | 1,000 | Walter N. Ingham | 2,000 | Oliver Hamel | 2,000 |  | <u>22,000</u> |
| NO. OF SHARES   | DATES EXERCISABLE  | PRICE         |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | April 1, 1962  | \$1.00        |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | July 1, 1962   | 2.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | October 1, 1962  | 3.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | January 1, 1963  | 4.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | July 1, 1963   | 5.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | January 1, 1964  | 6.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 22,000  | July 1, 1964   | 7.00          |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| <u>154,000</u>  |  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| OPTIONEE  | SHARES ALLOTTED  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Gerard Paquette   | 5,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Harold Paul Henderson   | 5,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Niels Ae Andersen   | 5,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Judith Caplan   | 2,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| William Donald Burton Freer   | 1,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Walter N. Ingham  | 2,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| Oliver Hamel  | 2,000  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
|   | <u>22,000</u>  |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 17. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.   | 437,910 shares of MALARTIC HYGRADE GOLD MINES LIMITED are held in escrow by the Guaranty Trust Company of Canada subject to release pro rata, upon the consent of the Board of Directors of the Company and the Canadian Stock Exchange.   |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |
| 18. Details of any registration with, or approval or authority for sale granted by a securities commission or corresponding Government body.  | <p>None.</p> <p>The shares of this Company have never been in the course of primary distribution, other than the distribution effected by the Lavandin Mining Company to its own shareholders in the course of winding up its affairs, which distribution of course is exempt from registration.</p>   |               |                   |       |                 |                 |        |        |              |                |        |                 |          |        |                 |      |        |              |      |        |                 |      |        |              |      |                |  |  |          |                 |                 |       |                       |       |                   |       |               |       |                             |       |                  |       |              |       |  |               |



# CANADIAN STOCK EXCHANGE

|  |  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
|--|--|--------------------|---|-------------|---------------------|---|----------|--------------------|---|----------|--------------------|---|----------|---------------------|---|----------|--|--|--------------------|
| 19. Has any application for registration with, or approval or authority for sale by a securities commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars. | No.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 20. Particulars of any bonds, notes, mortgages, charges, liens or hypothecations outstanding.  | <p>Tri-Cor Mining Company Limited has made advances to MALARTIC HYGRADE GOLD MINES LIMITED, as follows:</p> <table><tr><td>November 7th, 1961</td><td>—</td><td>\$ 5,000.00</td></tr><tr><td>November 21st, 1961</td><td>—</td><td>5,000.00</td></tr><tr><td>December 5th, 1961</td><td>—</td><td>1,000.00</td></tr><tr><td>January 24th, 1962</td><td>—</td><td>5,000.00</td></tr><tr><td>Februaury 8th, 1962</td><td>—</td><td>5,000.00</td></tr><tr><td></td><td></td><td><u>\$21,000.00</u></td></tr></table> <p>Interest is payable at the rate of 6% per annum. The notes are payable upon demand to Tri-Cor Mining Company Limited, Suite 608, 80 Richmond Street West, Toronto 1, Ontario.</p> <p>MORTGAGE</p> <p>Mortgage payable to Royal Canadian Ventures Limited in the amount of \$24,000.00 bears interest at the rate of 3% per month and is payable upon demand after June 30th, 1962. This mortgage is secured by a first charge against all the assets of MALARTIC HYGRADE GOLD MINES LIMITED and is payable to Royal Canadian Ventures Limited, 1011 - 17th Avenue South West, Calgary, Alberta.</p> | November 7th, 1961 | — | \$ 5,000.00 | November 21st, 1961 | — | 5,000.00 | December 5th, 1961 | — | 1,000.00 | January 24th, 1962 | — | 5,000.00 | Februaury 8th, 1962 | — | 5,000.00 |  |  | <u>\$21,000.00</u> |
| November 7th, 1961   | —  | \$ 5,000.00        |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| November 21st, 1961  | —  | 5,000.00           |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| December 5th, 1961   | —  | 1,000.00           |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| January 24th, 1962   | —  | 5,000.00           |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| Februaury 8th, 1962  | —  | 5,000.00           |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
|  |  | <u>\$21,000.00</u> |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 21. Names and addresses of all Transfer Agents.  | GUARANTY TRUST COMPANY OF CANADA,<br>366 Bay Street,<br>Toronto 1, Ontario.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 22. Particulars of any fee charged upon transfers other than customary Government taxes.   | 50¢ per certificate.   |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 23. Names and addresses of all Registrars.   | GUARANTY TRUST COMPANY OF CANADA,<br>366 Bay Street,<br>Toronto 1, Ontario.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 24. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.            | No.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| 25. Enumerate fully:   | <p>Group 1—owns 21 unpatented mining claims in Villemontel Twp., Abitibi East County, P.Q.</p> <p>Group 2—owns 7 unpatented mining claims in Malartic Twp., County of Abitibi, P.Q.</p> <p>Group 3—owns 10 unpatented mining claims and 1 mining concession in Malartic Twp., County of Abitibi East, P.Q.</p> <p>Group 4—holds 29 unpatented mining claims in Vauquelin Twp., Abitibi East County, P.Q.</p>   |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| (a) Properties owned where titles vested in Company.   |  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| (b) Properties leased.   | None.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |
| (c) Properties otherwise held.   | None.  |                    |   |             |                     |   |          |                    |   |          |                    |   |          |                     |   |          |  |  |                    |



# CANADIAN STOCK EXCHANGE

|   |  |
|---|--|
| 26. Full particulars of any royalties or other charges payable upon production for each individual property.  | None.  |
| 27. Describe plant and equipment on property.   | 2½-mile road, power-line, sub-station, steel water tower, 450-foot 3-compartment shaft, 90-foot head frame, steel and concrete building 30 x 120 feet housing machine shop, hoist, electrical equipment, dry and vault. Also 2 separate buildings containing mine office and magazine — all on Malartic Township property — shown above as Group 3.  |
| 28. Describe development accomplished and planned.<br>(To be filed with application:<br>1. Geological Surface Map.<br>2. All Assay Reports.<br>3. Map showing location of all Drill Holes). | Two underground working levels have been established at 250 and 400 feet respectively, on the Company's Mining Concession, Lot 55, Malartic Twp. The former Lavandin Mining Company completed a magnetometer and an electro-magnetic survey and 7,653 feet of diamond drilling on the Villemontel property. The Lavandin Mining Company completed 3,065 feet of diamond drilling on Group 1, Malartic Twp., and 16,306 feet of diamond drilling on Group 2, Malartic Twp., Que.  |
| 29. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.   | A complete report on all the Company's properties has been prepared by Walter Norman Ingham, Ph.D., 2617 Bayview Avenue, Willowdale, Ontario, dated April 6th, 1962, and accompanies this Application.   |
| 30. Full particulars of production to date.   | <p>During the period March 1 to March 31, 1962, a test shipment of ore from drifting, raising and slashing on both the 250-foot and 400-foot levels averaging 72 tons per day for 27 shipping days, and totalling 1,956 tons, was trucked to the Malartic Goldfields plant and custom milled. The average grade of this 1,956 tons, as established by assaying of mill head samples by both Malartic Hygrade and Malartic Goldfields is 0.87 oz. gold per ton, and the calculated gold content is 1,701 oz. Gross value at \$36.70 per oz. is \$62,426.70. Costs, which are calculated at \$10.00 per ton, and which include the items of mining labour, supplies, power, trucking and custom milling amount to \$19,560.00, leaving a net profit of \$42,866.70 for the month.</p> <p>Ore mined prior to the start of shipping and placed in a surface stockpile amounts to 2,050 tons. The grade is 0.66 oz. gold per ton, which is lower than the shipping grade because of development rock dilution. Net value of this stockpile, after trucking and milling costs, is \$44,834.00.</p> |
| 31. Have any dividends been paid? If so, give dates and amounts.  | No.  |
| 32. Has the listing of any shares of the Company ever been refused or deferred on any Stock Exchange? If so, give particulars.  | No.  |
| 33. Are any shares of the Company listed on any other Stock Exchange?   | No.  |



The President and Directors,  
MALARTIC HYGRADE GOLD MINES LTD.,  
Suite 608,  
80 Richmond Street West,  
Toronto, Ontario.

Gentlemen:

This report describes the locations, geology, mineralization, and development work to date at your three mining properties in Villemontel, Vauquelin and Malartic Townships, Quebec, located in the Malartic — Val d'Or — Amos gold and base metal mining district of western Quebec. Surface diamond drilling by Lavandin Mining Company and recent underground development by MALARTIC HYGRADE GOLD MINES has shown that high-grade gold-bearing veins occur on the Malartic property. Drilling of the Villemontel property indicates that it is primarily a molybdenite prospect. The Vauquelin claims have exploration merit because of nearby significant metallic mineralization, and because of their very promising geological environment.

### Villemontel Township Property PROPERTY

The property consists of 21 contiguous claims in the southeast quarter of Villemontel Township, Abitibi East County, Quebec. The claims comprising the property cover Lots 30 to 37, Range II, and Lots 30 to 33, Range I, and N $\frac{1}{2}$  Lots 34 to 36, Range I. The claims are numbered as follows:

|                    |                |
|--------------------|----------------|
| Certificate 108850 | Claims 1 and 2 |
| " 108851           | Claims 1 and 2 |
| " 108852           | Claims 1 and 2 |
| " 108853           | Claims 1 and 2 |
| " 108854           | Claims 1 to 4  |
| " 122026           | Claims 1 to 4  |
| " 122022           | Claims 1 to 3  |
| " 136706           | Claims 2 and 3 |

### LOCATION

The property is in the south central part of Villemontel Township. The closest town is Amos, 18 miles by motor road to the northeast. Amos is on the main northern line of the Canadian National Railway, 350 miles northwest of Montreal. The village of Pressaic is 3 miles southwest of the property. A motor road crosses the property along Range Line I-II.

### GEOLOGY

Geological Survey of Canada, Preliminary Map 44-9A, published in 1944, at a scale of 1 inch to  $\frac{1}{2}$  mile, shows the general geology of the immediate area and the property. A prominent feature of the area is a body of granite shown as the La Motte batholith. Part of the northwest margin of this intrusive extends across the southern part of the property. The granite intrudes Early Precambrian sediments, which underlie most of the central part of the property. The sediments are mainly biotite schist derived from greywacke. A central section is underlain by carbonate-chlorite-sericite schist resulting from the alteration of volcanic rocks along the major break called the Mannville Fault Zone. The sediments, volcanics and schists trend east-west, and dip at an average of 60° north.

### MINERALIZATION

Except for two outcrops of Late Precambrian diabase in Lot 30, Range II, and small outcrops of granite in Range I, the property is devoid of known rock exposures. For this reason the economic mineral potential must be inferred from its favourable geological aspects as compared with other properties in the area, and from the results of the 1958 Lavandin diamond drilling programme.

The claims cover a strike length of 1 $\frac{1}{2}$  miles to the north contact of the La Motte batholith. Numerous **lithium** deposits are associated with the north contact zone of this intrusive and the north contact of the LaCorne granite to the east. The more important deposits formed so far include those at Lithium Corporation of America, International Lithium, LaCorne Lithium, Canadian Lithium and Quebec Lithium. These deposits are from 5 to 20 miles east of the claims of MALARTIC HYGRADE GOLD MINES.

In addition to possibilities for the occurrence of lithium on the Malartic Hygrade property, it may also have pegmatite dykes mineralized with **beryl**, the ore mineral of metallic beryllium. An occurrence of beryl is known in the granite-sediments contact zone 1 $\frac{1}{2}$  miles southwest of these claims, and also on the east side of your property, Lot 33, Range I.

**Molybdenite** occurs in the contact zone at four places southwest of the property. Four short drill holes were put down on the claims by former operators. Three are in Lot 31, and a fourth, vertical, is in Lot 34. The main rock formation in all the holes was biotite schist (altered greywacke), invaded by numerous dykelets of pegmatite and veinlets of pegmatitic quartz, some of which are mineralized with small amounts of molybdenite. Six drill holes put down by Lavandin Mining Company in 1958 yielded encouraging molybdenite assays.

A geological feature of the claims, which is very important for the potential localization of base metal or gold deposits, is the Mannville Fault Zone. This break has been traced for many miles to the west and to the east, and is a major structural feature of the district. A length of 6,800 feet of the break crosses the northern part of the property. The place where the east-west Mannville break is intersected by the northeast trending diabase dyke, which also occupies a structural weakness, is particularly significant, because analogous structural conditions prevail at several of the base metal mines of the Western Quebec Mining Belt. A pertinent example is the Normetal Mine, producer of zinc, copper, silver and gold.

### EXPLORATION WORK

Magnetometer surveys of Ranges I and II were carried out in 1957. At the same time an electromagnetic survey was done on part of Range III. The geophysical surveys indicated several promising anomalies, which are diagnostic of geological conditions that are favourable for the localization of metallic mineralization. Among these are a diabase dyke intersecting the Mannville Fault Zone and the northern contact zone of the La Motte granite stock.



Following the geophysical surveys, diamond drilling was started in March and continued until July, 1958. Nine drill holes totalling 7,653 feet were put down on the property, by Lavandin Mining Company.

The first hole was collared close to the south boundary of Lot 32, Range III. It explored the Mannville Fault Zone adjacent to the diabase dyke. No important mineralization was intersected. The second hole, 4,000 feet to the east, missed its objective, the Mannville Fault Zone, and encountered only barren greywacke.

The next seven holes were drilled mainly in Range I, to explore for molybdenite. One hole, No. 4, laid out to test a magnetic anomaly within the La Motte granite, did not reveal any significant mineralization. The remaining six holes all gave interesting molybdenite values along with associated bismuth.

These holes together with three holes drilled in a cross-section by former owners of the claims, outlined in a very general way a molybdenite bearing zone 5,300 feet in length. The zone lies in greywacke a short distance north of the La Motte granite contact. It extends in a northeast direction from Lot 31, Range I, to southern Lot 36, Range II. Molybdenite occurrences are scattered across 300 to 400 feet in the zone. Mineralization is in pegmatite, pegmatitic vein quartz, and occasionally aplite. Individual dykes and veins range from a few inches up to 11.5 feet wide. All of the six holes in the zone have numerous molybdenite showings.

Some of the showings were assayed and gave the following results:

| Hole No. | Footage     | Core Length | % Molybdenite | %Bismuth | Remarks          |
|----------|-------------|-------------|---------------|----------|------------------|
| 5        | 175.5-176.0 | 0.5         | 1.45          |          | In 3.0 foot vein |
| 5        | 390.5-391.0 | 0.5         | 1.17          |          | Entire veinlet   |
| 6        | 265.7-267.7 | 2.0         | 1.23          | 0.110    | Quartz vein      |
| 7        | 521.5-522.0 | 0.5         | 0.78          |          | Quartz veinlet   |
| 8        | 102.0-103.0 | 1.0         | 0.44          | 0.145    | Quartz vein      |
| 8        | 108.0-110.0 | 2.0         | 0.70          | 0.118    | Quartz vein      |
| 8        | 213.0-217.0 | 4.0         | 0.52          | 0.014    | Pegmatite        |
| 9        | 240.0-241.0 | 1.0         | 0.73          | 0.140    | Pegmatitic vein  |
| 10       | 130.0-145.0 | 15.0        | 0.12          |          | Pegmatite aplite |
| 10       | 580.5-592.0 | 11.5        | 0.17          | 0.007    | Pegmatite        |

The zone is unexplored for a length of 2,000 feet on each side of Hole No. 10, which is midway between No. 6 and No. 8.

A second molybdenite-bearing zone is indicated in the bottom of Holes No. 7 and No. 10, 1,200 feet apart. This zone parallels the one described above. It also lies in greywacke, but right against the granite contact. Molybdenite occurs in dykes and veins scattered across 200 feet. In Hole No. 7 a dyke 18 feet wide carries a little molybdenite. In Hole No. 10 five dykes from 4.0 to 28.0 feet wide carry small amounts of molybdenite. The 4.0 foot dyke assayed 0.13% MoS<sub>2</sub>. No development work was done on this property by Lavandin since the 1958 drilling.

## CONCLUSION

The development work carried out so far on your property has given considerable encouragement, particularly the molybdenite mineralization. The relatively large number of occurrences of molybdenite noted in the six drill holes along the greywacke-granite contact zone, lead to the assumption that somewhere in this vicinity a commercial deposit may exist. High grade assays have been returned from narrow veins, and low grade assays from wider structures. The five pegmatitic dykes close to the contact in Hole No. 10, which have widths of 4.0 feet, 6.0 feet, 12.0 feet, 24.0 feet, and 28.0 feet, carry a little molybdenite. It is felt that additional drilling along the contact on the strike of these wide intersections has a very good chance of yielding ore-grade values across commercial widths. However, in view of the rather large capital outlay required by the Company to carry out the recommended development of your Malartic Township property, further exploration of these claims is not recommended at the present time.

## Vauquelin Township Property

### PROPERTY

This property of MALARTIC HYGRADE GOLD MINES LIMITED is comprised of a group of 29 mining claims aggregating approximately 1,160 acres. The claims are in Vauquelin Township, Abitibi East County, Quebec Province. Title to the claims consists of the following five Quebec Department of Natural Resources Miner's Certificates:

|             |                                 |
|-------------|---------------------------------|
| Certificate | 184994, Claims 1 to 5 inclusive |
| "           | 184995, Claims 1 to 5 inclusive |
| "           | 185128, Claims 1 to 5 inclusive |
| "           | 185129, Claims 1 to 5 inclusive |
| "           | 185130, Claims 1 to 5 inclusive |
| "           | 185131, Claims 1 to 4 inclusive |

### LOCATION

The claims, which are in the west-central part of Vauquelin Township, lie between Simon Lake and the southern end of Guegen Lake. This location is some 30 miles east and south of Val d'Or, Quebec. The Montreal-Val d'Or paved highway passes 2 miles west of the property. A gravel road, branching eastward from the highway at St. Felix Creek, passes a mile south of the claims. It is 8 miles by water from Louvicourt Village on the main highway, up the Bell River, across Simon Lake and up the Marquis River to the south-west part of the property.

### HISTORY

During 1938 to 1942 the Consolidated Mining and Smelting Company of Canada Limited held eight mining claims in the central part of the present Malartic Hygrade property. This company carried out surface prospecting and a small amount of diamond drilling. In 1946 Donrand Mines Limited held two



claims in the northwest corner of the present Malartic Hygrade group of claims, which were surveyed with a magnetometer, and explored by two diamond drill holes. In 1949 Quebec Explorers Limited held three claims in the southwest corner of the present property of MALARTIC HYGRADE GOLD MINES LIMITED. Magnetometer survey work was carried out and one of four drill holes put down is on the present Malartic Hygrade claim number 184995 - cl. 4, along the west side of the Marquis River.

## GEOLOGY

According to the outcrops and two drill holes plotted on the Geological Survey of Canada, Map No. 47-6C, published in 1948, on a scale of 1 inch. to 1,000 feet, the MALARTIC HYGRADE GOLD MINES LIMITED property is underlain predominately by Precambrian rocks of the Keewatin volcanics group. These formations are composed of an assemblage of volcanic lavas - andesite, dacite and trachyte, and volcanic fragmental rocks - agglomerate, tuff and breccia. Bedrock exposures, observed by the writer on the property along the shore of Guegen Lake, are considerably sheared, chloritized, or silicified and locally strongly carbonatized. The volcanic rocks strike southeasterly across the group of claims, and they dip to the south or vertical. Some of the flow rocks are coarse-grained and porphyritic, and difficult to distinguish from intrusive diorite.

An elongated stock of diorite porphyry, apparently shaped like a cucumber, occurs in the centre of the block of claims along 6,000 feet and across 1,500 feet. The diorite and the volcanic rocks are intruded by many dykes of feldspar porphyry, syenite, and granodiorite. Two dykes of late Precambrian (Proterozoic) diabase cross the property centrally, in a more or less east-west direction.

## MINERALIZATION

A vertical drill hole put down to 485 feet by Quebec Explorers, located just outside the southwest corner of your property, intersected andesite in places carrying abundant magnetite, disseminated pyrite, and a little chalcopyrite. One 3.0-foot section of core assayed 0.01 oz. gold per ton. Mr. Niels Andersen prospector, who worked in 1938 on the C. M. & S. claims that now form part of the MALARTIC HYGRADE GOLD MINES LIMITED property, advises the writer that one of the drill holes put down at that time yielded a commercial grade gold content across an ore width. The writer, at the present time, does not have the exact location of the hole, nor a copy of the drill log. It is said to be located in or near the elongated stock of diorite porphyry.

Small, but good grade showings of zinc, copper, silver and gold occur in strong shear zones, or in quartz-tourmaline veins, on the claims adjoining east of your property. High grade, medium grade, and low grade gold mineralization is exposed in surface trenches and is known from extensive diamond drilling on mining properties to the south of your claims. Among these are Simon Lake Gold Mines, Raymond Tiblemont Gold Mines, and Chimo Gold Mines.

## CONCLUSIONS AND RECOMMENDATIONS

- (1) The property of MALARTIC HYGRADE GOLD MINES LIMITED in Vauquelin Township appears to be well located in an area of gold, silver and base metals mineralization.
- (2) An exploration programme involving magnetic and limited electrical geophysical surveys, a detailed geological survey, and systematic prospecting is recommended.
- (3) The amount and location of diamond drilling that should be carried out is contingent on the information gained from the surveying, mapping and prospecting, and on confirmation of the commercial grade gold reported in the old C. M. & S. drilling.
- (4) The magnetic survey will outline the diorite bodies, and any small plugs of granodiorite or syenite. Some of the andesite flows in this area contain considerable magnetite, which will yield anomalies useful for indicating favourable structural conditions.
- (5) The preliminary surveying and prospecting, including a 30-mile grid of picket lines cut at 300-foot intervals, will cost about \$10,000. Diamond drilling at this easily accessible property can be done at a base price of \$2.50 per foot.

## Malartic Township Property

This property consists of two adjacent claim groups which were explored separately and are described as follows:

### Group No. 1, Range III

#### PROPERTY

The property consists of 600 acres in the Township of Malartic, in the Malartic Val d'Or, Quebec, mining area. The claims are numbered as follows:

| Certificate No. | Claim | Lot No.            | Range |
|-----------------|-------|--------------------|-------|
| 136708          | 1     | 49                 | III   |
| 136708          | 2     | 50                 | III   |
| 136707          | 1     | 51                 | III   |
| 136707          | 2     | 52                 | III   |
| 136706          | 1     | 53                 | III   |
| 167213          | 1     | 54 S $\frac{1}{2}$ | III   |
| 167213          | 2     | 55 S $\frac{1}{2}$ | III   |

These claims are three miles north of the Val d'Or- Rouyn highway and the Canadian National Railways, at a point four miles east of the Town of Malartic. Seven gold mines are in operation at Malartic. These are: Canadian Malartic, East Malartic, Barnat, Malartic Goldfields, Norlartic Mines, Marban and Malartic Hygrade. Underground development in the camp is as far down as 4,600 feet. Total annual value of gold production is close to \$10,000,000.00.

## GEOLOGY

The property is underlain mainly by volcanic rocks, commonly referred to as "greenstone". These consist chiefly of intermediate to basic composition lava flows and, in the southwestern part, beds of tuff and agglomerate. Sills of intrusive diorite are a prominent feature of the southwestern section of the claim block. The volcanics and diorite are cut by dykes of feldspar porphyry, granodiorite and aplite.



The geological structure of the rocks of the property is diagnostic of conditions particularly promising for the deposition of gold mineralization. The normal trend of the volcanics in this area is northwest-southeast, but on these claims the rocks are bent into a large 'Z' - shaped drag-fold. Much of the drag-folded rock is diorite, which must have been fractured and sheared during the diastrophism accompanying the distortion. It is further significant that the shear direction in the rocks of the vicinity is northeasterly across the normal southeasterly strike. A fault zone crosses the property for a distance of 5,000 feet in a northwest direction. This is part of a major break that has been traced across the country by the writer for many miles. Gold deposits occur in or near this fault zone southeast of the Malartic Hygrade claims at the Norlartic, Marban, Kiena and Shawkey Mines.

MINERALIZATION

The writer is not aware of any surface mineral showings on the property, but this is probably due to lack of outcrops and systematic prospecting. A hole drilled in 1946, in southern Lot 49, when a former company held Lots 49 and 50, intersected nine feet of sheared rock near the north margin of the folded diorite sill. Two feet out of the nine feet assayed \$4.90 in gold per ton.

EXPLORATION WORK

During November and December, 1959, Lavandin Mining Company drilled four holes totalling 3,065 feet in southern Lots 50-51, Range III. These holes were put down to test the area of apparently very favourable drag-folded diorite and volcanic rocks. However, although appreciable vein material and pyrite mineralization were found, no important gold values were obtained. It is concluded that these few drill holes have not adequately explored this part of the property as yet, and that consideration should be given to geophysical work, mapping and detailed prospecting of the essentially unexplored northern one-half of this Range III group of claims.

Group No. 2, Range II  
PROPERTY

Your Range II group of claims is adjoined on the north by your Range III property, the two groups having a mutual boundary along the range line at Lots 52 to 55, Malartic Township. The Range II group of ten claims and one mining concession is comprised of 750 acres. The claims and concession are registered with the Quebec Department of Natural Resources under the following numbers:

Mining Concession No. 486, being Lot 55, Range II.

| Certificate | Lot                | Range | Claim No. |
|-------------|--------------------|-------|-----------|
| 136767      | 57                 | II    | 3         |
| 136767      | N $\frac{1}{2}$ 58 | II    | 4         |
| 136767      | N $\frac{1}{2}$ 59 | II    | 5         |
| 136714      | 52                 | II    | 1         |
| 136714      | 56                 | II    | 2         |
| 163926      | S $\frac{1}{2}$ 54 | II    | 1         |
| 163926      | S $\frac{1}{2}$ 53 | II    | 2         |
| 163926      | N $\frac{1}{2}$ 54 | II    | 3         |
| 163926      | N $\frac{1}{2}$ 53 | II    | 4         |
| 167213      | S $\frac{1}{2}$ 51 | II    | 3         |

The claims are two miles north of the Val d'Or - Rouyn highway and the Canadian National Railway, at a point four miles east of the Town of Malartic. A gravel road newly constructed by the Company extends for 2.5 miles northwest from the road to the Norlartic Mine shaft location.

HISTORY

Part of the property was first held by Ascot Gold Mines and, in 1936, this Company drilled ten holes in the south part of Lot 55. During 1944 to 1947 Hugh Malartic Mines Limited drilled forty-seven holes in Lots 53, 54 and 55, Range II, of the present claim group. During the same period Citralam Malartic Mines Limited held the lots 56 to 59 portion of the property, and drilled eighteen holes thereon.

GEOLOGY

The claims are underlain predominately by Keewatin-type, basic lava flows. The northern half of a tuff horizon, 2,000 feet thick, occurs in the southwest end of the property. The volcanic rocks are considerably altered and sheared, as evidenced by appreciable secondary chlorite, epidote, carbonate and biotite.

Considerable fine-grained, serpentinized, talcose, peridotite occurs on the property, mainly in the form of intrusive sills. Diorite sills, plugs and dykes are common, particularly in the southern portion. Grey, fine to medium to coarse-grained, siliceous feldspar porphyry dykes, similar to granodiorite in composition, from a few feet up to 300 feet wide, have been observed in drill cores.

The volcanic rocks and the concordant peridotite sills are flexed into the form of a drag-fold structure, roughly 'Z'-shaped in plan. Schistosity maintains an east-west trend across the limbs of the fold. A strongly sheared structure, known as the Norlartic Fault Zone, crosses the northeastern part of the property on its northwest strike for a length of 3,500 feet. Two northeast trending cross faults are inferred from the displacement of magnetic bands of peridotite or diorite.

DIAMOND DRILLING

During the period January 15, 1960 to December 16, 1960, a total of 46 drill holes aggregating 16,306 feet were put down by Lavandin Mining Company on the Range II section of the property. Twelve holes, making 2,781 feet, were drilled in the No. 1 vein area, central Lot 56, Range II. Twenty-five holes, making 11,214 feet, were drilled in the No. 2 vein area, central Lot 55, Range II. Nine holes, making 2,311 feet, were drilled in the No. 3 vein area, north central Lot 55, Range II. No holes were drilled in the No. 4 vein area, north end of Lots 53 to 56, Range II.



## MINING PLANT, SHAFT AND UNDERGROUND DEVELOPMENT

During the first half of 1961 Lavandin Mining, in preparation for sinking a shaft, built a 2.5 mile all-weather motor road, paralleled by a new 25,000 volt electric transmission line with a transformer sub-station. An area of 6 acres was cleared of forest growth for fire protection, and a subsidiary gravel road extended for one-quarter mile to a new blasting powder magazine building. A start was then made on a three compartment shaft by sinking in rock to a depth of 36 feet, installing a concrete collar with internal timber sets, and erecting a 90-foot headframe.

A unit building with a structural steel frame, galvanized metal siding and insulated interior was then assembled on an 8-foot high concrete base. This unit is 120 feet long and 30 feet wide. Its three compartments serve as hoist-compressor, boiler room, machine shop, and dry. A temporary engineering office, and a 15,000 gallon, steel water tank on a 50-foot high steel frame have been erected. After numerous other items were purchased such as a bulldozer-loader, hoisting cables, rock drills, sinking buckets, mine cars, blasting set, air and water line pipe, tracks, switching units, etc., shaft sinking was commenced in July, 1961 and completed to a depth of 430 feet in October.

As of April 1st, 1962, on the 250-foot level, 495 feet of lateral development was completed, of which 255 feet is in ore. Some 160 feet of raising in ore also has been carried out above the 250-foot level in three openings. On the 400-foot level 390 feet of crosscutting and drifting has been done, of which 45 feet is in ore. There is also 75 feet of raising in ore above the level and slashing of the back along 45 feet to a height of 25 feet.

## MINERALIZATION

The former drilling of some 78 exploration holes supplemented by Lavandin's 46 holes put down in 1960, have partially indicated four gold-bearing zones on this property:

### No. 1 Zone:

This is a quartz vein that outcrops in central Lot 56. It strikes No. 25° E., and dips vertical. Old surface trenching exposes the vein at intervals along 200 feet. It is a discontinuous structure, pinching and swelling in width from a few inches to 2.5 feet. The quartz is white to bluish and sugary textured. It is sparsely mineralized with pyrite and chalcopyrite, and the gold content is high. Several chip samples and various grab samples from the trenches have yielded values from 0.40 up to 3.00 oz. gold per ton.

The vein has been explored in detail along 300 feet by 18 drill holes, 5 old borings and 13 Lavandin holes totalling 3,988 feet. The holes have intersected the zone at vertical depths of from 45 feet down to 800 feet. Eight of the holes indicate a gold ore shoot 150 feet long and 3.2 feet wide extending from surface to a depth of 250 feet. The essential data from these 8 holes is as follows:

### No. 1 Vein

| Hole No. | Core Length | True Width | Vertical Depth | Gold, Ounces | Remarks                         |
|----------|-------------|------------|----------------|--------------|---------------------------------|
| L-14     | 3.5         | 3.0        | 45             | 2.40         | Sug. qtz. Visible gold.         |
| L-15     | 4.0         | 3.0        | 100            | 0.03         | Vein qtz. stringer zone.        |
| C-33     | 3.3         | 3.0        | 180            | 0.09         | Sug. qtz. Pyrite, chalcopyrite. |
| C-37     | 9.9         | 7.0        | 50             | 1.82         | 30% sug. qtz. Visible gold.     |
| C-42     | 3.1         | 3.0        | 115            | 0.10         | 25% sug. qtz. Visible gold.     |
| L-23     | 2.5         | 2.0        | 250            | 0.04         | Vein qtz. stringer zone.        |
| C-35     | 5.0         | 4.0        | 60             | 0.24         | 25% sug. qtz. Visible gold.     |
| L-18     | 1.5         | 1.0        | 95             | 0.14         | Vein qtz. stringer zone.        |

These eight holes give a weighted, average, uncut grade of 0.84 oz. gold per ton. The cut grade is 0.40 oz. gold per ton. In the case of the No. 1 vein, and also for the other two high-grade veins, 2A and 2B, the cut grade has been established by arbitrarily cutting or reducing all values which are higher than the uncut, weighted, average grade down to the uncut, average grade, then re-calculating to give a cut grade. For example, Hole No. L-14 has 3.0 feet assaying 2.40 oz. gold per ton. This 2.40 oz. is reduced to 0.84 oz., which value is used to calculate the cut grade of the ore shoot. The tonnage indicated to a depth of 250 feet is 12,000 tons.

### No. 2 Zone:

The No. 2 gold-bearing zone is 400 feet west of the No. 1 vein. It consists of four roughly parallel gold-bearing shoots trending east-west and dipping north at an average of 65 degrees. The four shoots have been outlined for a length of 300 feet, and indicated to occur at from 10 to 25 feet intervals across from 60 to 100 feet of enclosing silicified andesite. The western part of two of the shoots become high grade gold ore where, in plan, they are drag-folded between a small dioritic intrusive and an irregular body of peridotite and, in dip extension, they are crumpled along and under the peridotite footwall. The northern limit, which is the hangingwall side, of the favourable band of andesite in which the four gold-bearing zones occur, is marked by an east-west striking dyke of siliceous feldspar porphyry from 10 to 20 feet wide. The four zones are designated 2A, 2B, 2C and 2D.

At a distance of from 60 to 130 feet south of the 2D zone, three additional, parallel, mineralized zones occur in the eastern end of the diorite body. Four of eight drill holes indicate erratic values with a vertical extent of about 200 feet and minimum length of 100 feet. These are designated 2E, 2F and 2G veins.

**The 2B Vein** is the most northerly of the No. 2 zone group, lying along or close to the feldspar porphyry dyke. Thirteen drill holes, intersecting the vein at various depths down to 360 feet vertical and along 120 feet, indicate a gold ore shoot as follows:



### No. 2B Vein

| Hole No. | Core Length | True Width | Vertical Depth | Gold, Ounces | Remarks                            |
|----------|-------------|------------|----------------|--------------|------------------------------------|
| L-44     | 14.0        | 12.0       | 110            | 0.53         | 70% sug. qtz. Visible gold.        |
| H-38     | 1.2         | 1.0        | 112            | 0.10         | 15% sug. qtz. stringers. Pyrite.   |
| L-47     | 7.2         | 6.0        | 145            | 2.24         | 60% sug. qtz. Visible gold.        |
| L-30     | 4.0         | 3.5        | 180            | 0.02         | 20% sug. qtz. Sparse pyrite.       |
| L-27     | 2.0         | 1.5        | 185            | 0.03         | Silicified qtz. stringers, pyrite. |
| L-40     | 15.0        | 12.0       | 210            | 0.71         | 25% sug. qtz. Fair to weak pyrite. |
| L-29     | 8.0         | 7.0        | 215            | 0.06         | Sug. qtz. stringer zone. Pyrite.   |
| L-42     | 31.0        | 26.0       | 240            | 1.01         | 20% sug. qtz. Strong pyrite.       |
| L-31     | 10.0        | 7.0        | 270            | 0.12         | 40% sug. qtz. Sparse pyrite.       |
| L-45     | 15.0        | 13.0       | 275            | 1.30         | 60% sug. qtz. Some visible gold.   |
| L-46     | 18.0        | 16.0       | 300            | 0.44         | 30% sug. qtz. Sheared, pyritic.    |
| L-41     | 5.0         | 3.0        | 310            | 0.01         | Narrow vein in brecciated rock.    |
| L-48     | 3.5         | 3.0        | 360            | 0.35         | 20% sug. qtz. Visible gold.        |

The average true width from the thirteen intersections is 8.5 feet, with a variation of from 1.0 feet up to 26.0 feet. The weighted, average, uncut grade is 0.95 oz. gold per ton. The cut grade, as calculated by the method given above, is 0.60 oz. gold per ton. For the 120 feet of length and to a dip slope depth of 400 feet, the 2B ore shoot is calculated to contain 40,800 tons.

The 2A Vein lies parallel and from 10 to 30 feet south of the 2B vein. The thirteen drill holes intersecting the vein at various depths down to 390 feet vertical and along 120 feet indicate a gold ore shoot as follows:

### No. 2A Vein

| Hole No. | Core Length | True Width | Vertical Depth | Gold, Ounces | Remarks                                  |
|----------|-------------|------------|----------------|--------------|--|
| H-39     | 10.0        | 8.0        | 80             | 0.21         | 25% quartz with fair pyrite.             |
| L-44     | 2.2         | 2.0        | 135            | 0.35         | 100% sug. qtz. Strong pyrite.            |
| L-47     | 1.2         | 1.0        | 185            | 1.00         | 80% sug. qtz. Visible gold.              |
| L-30     | 10.0        | 7.0        | 195            | 0.09         | 10% sug. qtz. veinlets. Pyrite.          |
| L-40     | 15.0        | 12.0       | 225            | 2.18         | 75% sug. qtz. Much visible gold.         |
| L-27     | 6.0         | 5.0        | 230            | 1.42         | 90% sug. qtz. Sparse pyrite.             |
| L-29     | 23.0        | 20.0       | 235            | 1.12         | 15% sug. qtz. veinlets. Visible gold.    |
| L-42     | 1.5         | 1.0        | 270            | 0.15         | 50% sug. qtz. Sparse pyrite.             |
| L-31     | 20.0        | 16.0       | 290            | 2.40         | 60% sug. qtz. Visible gold.              |
| L-45     | 2.7         | 2.5        | 300            | 0.05         | 70% sug. qtz. Fair pyrite-pyrrhotite     |
| L-41     | 1.2         | 1.0        | 330            | 0.03         | Three veinlets sugary quartz.            |
| L-46     | 3.0         | 2.5        | 350            | 0.12         | 90% sug. qtz. Sparse pyrite.             |
| L-48     | 14.0        | 11.0       | 390            | 0.77         | 40% sug. qtz. Considerable visible gold. |

The average true width from the thirteen intersections is 7.0 feet with a variation from 1.0 foot up to 20 feet. The weighted, average, uncut grade is 1.53 oz. gold per ton. The cut grade is 0.94 oz. gold per ton. To a vertical depth of 400 feet the vein contains 34,000 tons.

The 2A vein has been traced for an additional 100 feet eastward from the above high grade shoot. Six drill holes indicate a low grade section 100 feet long as follows:

| Hole No. | Core Length | True Width | Vertical Depth | Gold, Ounces | Remarks                               |
|----------|-------------|------------|----------------|--------------|---------------------------------------|
| H-31     | 8.0         | 6.5        | 105            | 0.04         | Qtz. stringer zone. Pyrite.           |
| H-49     | 3.0         | 2.5        | 140            | 0.02         | Qtz. stringer zone. Pyrite.           |
| L-35     | 6.5         | 5.5        | 160            | 0.44         | 30% sug. qtz. veinlets. Visible gold. |
| H-50     | 5.0         | 4.5        | 185            | 0.02         | Qtz. stringer zone. Pyrite.           |
| H-37     | 4.0         | 3.5        | 200            | 0.10         | Qtz. stringer zone. Pyrite.           |
| L-36     | 1.0         | 1.0        | 250            | 0.01         | Qtz. veinlet zone. Pyrite.            |

The average true width is 4.0 feet. The average uncut grade is 0.09 oz. gold per ton. To a depth of 250 feet the section contains 10,000 tons.

The 2C Vein lies parallel and 10 to 15 feet south of the 2A vein. It is a low grade, mainly quartz stringer zone, that has been traced along 200 feet and to a depth of 310 feet by thirteen drill holes as follows:

### No. 2C Vein

| Hole No. | Core Length | True Width | Vertical Depth | Gold, Ounces | Remarks                             |
|----------|-------------|------------|----------------|--------------|-------------------------------------|
| H-34     | 4.0         | 3.5        | 50             | 0.04         | 15% sug. qtz. Pyrite, chalcopyrite. |
| H-38     | 1.0         | 1.0        | 135            | 0.19         | 80% sug. qtz. Pyrite, chalcopyrite. |
| L-35     | 2.0         | 1.5        | 170            | 0.22         | 50% sug. qtz. Pyrite, chalcopyrite. |
| H-49     | 2.2         | 2.0        | 170            | 0.12         | Sug. qtz. veinlets. Pyrite.         |
| L-43     | 9.0         | 7.0        | 200            | Trace        | 40% sug. qtz. Pyrrhotite, pyrite.   |
| L-30     | 2.0         | 1.5        | 205            | 0.10         | 70% vein qtz. Strong sulphides.     |
| H-37     | 4.0         | 3.5        | 220            | 0.03         | 5% sug. qtz. stringers.             |
| L-40     | 3.0         | 2.5        | 245            | 0.42         | 70% sug. qtz. Pyrite, pyrrhotite.   |
| L-27     | 2.0         | 1.5        | 250            | 0.06         | 50% sug. qtz. 50% pyritic andesite. |
| L-29     | 4.0         | 3.5        | 260            | 0.14         | 90% sugary quartz. Fair pyrite.     |
| L-36     | 3.5         | 3.0        | 260            | 0.005        | Quartz stringer zone.               |
| L-32     | 4.0         | 3.5        | 265            | 0.02         | Quartz stringer zone.               |
| L-31     | 5.0         | 4.5        | 310            | 0.09         | Qtz. stringer zone. Strong pyrite.  |

The average true width is 3.0 feet, and the uncut grade 0.87 oz. gold per ton. The zone contains 18,000 tons.



**The 2D Vein** is parallel and from 10 to 40 feet south of the 2C vein. It is a low grade, mainly quartz stringer zone, with a length of 200 feet, width of 4.0 feet and depth of 500 feet as indicated by seven drill intersections. The best intersection is 4.5 feet, assaying 0.14 oz. gold per ton, but the average grade of the indicated 40,000 tons is only 0.06 oz. gold per ton.

**The 2E Vein, the 2F Vein and the 2G Vein**, located parallel and 60 to 130 feet south of the 2D structure, have not been sufficiently explored by drill holes to allow any tonnage calculations. However, they carry values of 14.4 feet of 0.17 oz., 3.0 feet of 0.24 oz., and 5.0 feet of 0.26 oz. gold per ton, which grade is high enough to warrant additional testing by means of economical, underground drill holes.

Probably each of the generally low grade zones, 2A extension, 2C, 2D, 2E, 2F and 2G, will yield a number of small gold ore shoots of moderate grade when closely explored by underground drill holes. All of the underground development carried out so far is in the No. 2 gold zone. Channel sampling on the 250-foot level of the back of the drift every 2.5 feet along the 2B vein for a length of 110 feet and average width of 3.8 feet of vein quartz only, gives a grade of 1.23 ounce gold per ton. The east raise in this vein, now at 80 feet above the level, indicates a grade of 1.71 ounce gold per ton across 5.0 feet. Similar channel sampling on the 250-foot level of the 2A vein for a length of 100 feet and average width of 2.4 feet of vein quartz only gives a grade of 1.33 oz. gold per ton. On the 400-foot level muck sampling of 476 tons of ore from slashing the back of the 2A vein along 50 feet, across 7.0 feet and up 15 feet gives a grade of 1.32 ounce gold per ton.

**No. 2 Zone**

This area of gold mineralization is 400 feet north of the No. 2 group of veins. In the Lavandin 1960 drilling programme, the nine drill holes, totalling 2,311 feet were put down to shallow depths to test encouraging gold values found by four of the former eight holes. One of the new holes yielded a high grade gold assay and two more, 75 feet and 150 feet to the north, yielded low grade intersections. Although strike and dip correlation into one or more ore shoots is not as yet proven, eight drill holes along 250 feet have yielded gold values as follows:

| Hole No. | Core Length | Gold, Ounces | Dollars |
|----------|-------------|--------------|---------|
| H-24     | 7.2         | 0.43         | \$15.30 |
| H-53     | 2.0         | 0.17         | 6.51    |
| H-52     | 10.0        | 0.22         | 8.48    |
| H-52     | 3.0         | 0.14         | 4.90    |
| L-7      | 6.0         | 0.07         | 2.45    |
| L-7      | 3.0         | 0.15         | 5.25    |
| H-26     | 14.5        | 0.17         | 6.77    |
| L-5      | 1.0         | 0.07         | 2.45    |
| L-8      | 1.0         | 2.16         | 75.60   |
| H-28     | 2.0         | 0.10         | 3.50    |

**No. 4 Zone**

This zone strikes east-west across the north end of Lots 55-56, Range II. Eleven former drill holes yielded scattered gold assays for a length of 860 feet west of the lot line, and 400 feet east of the lot line, or a total length of 1,260 feet. The values occur in mineralized, siliceous porphyritic dykes, brecciated diorite, and in talc-carbonate-chlorist schist. Individual holes returned assays varying from \$1.05 to \$14.00 per ton for core lengths of from 3.0 feet to 5.0 feet. A 400-foot length of the zone immediately west of the lot line was not explored in the previous drilling.

**PRODUCTION**

During the period March 1 to March 31, 1962, a test shipment of ore from drifting, raising and slashing on both the 250-foot and 400-foot levels averaging 72 tons per day for 27 shipping days, and totalling 1,956 tons, was trucked to the Malartic Goldfields plant and custom milled. The average grade of this 1,956 tons, as established by assaying of mill head samples by both Malartic Hygrade and Malartic Goldfields is 0.87 oz. gold per ton, and the calculated gold content is 1,701 ounces. Gross value at \$36.70 per oz is \$62,426.70. Costs, which are calculated at \$10.00 per ton, and which include the items of mining labour, supplies, power, trucking and custom milling amount to \$19,560.00, leaving a net profit of \$42,866.70 for the month.

Ore mined prior to the start of shipping and placed in a surface stockpile amounts to 2,050 tons. The grade is 0.66 oz. gold per ton, which is lower than the shipping grade because of development rock dilution. Net value of this stockpile, after trucking and milling costs, is \$44,834.00.

**SUMMARY REMARKS**

- (1) The No. 1 vein is a simple structure, dipping vertically, and will be easy to mine. Tonnage is calculated only to a depth of 250 feet, as values obtained in deeper holes were not ore grade. However, this may be due to the erratic distribution of the gold in the quartz, and the lenticular nature of the quartz itself. There are no holes in the structure under the indicated ore shoot between a depth of 300 feet vertical and the one drill hole intersection at 800 feet vertical.
- (2) The disposition of the No. 2 group of veins, where they are widened and enriched, is much complicated by drag-folding, both horizontally and vertically, by a plunge or rake of the ore grade sections steeply to the east, by cross faulting, and by intrusive peridotite, on unfavourable host rock. In places where the 2B and 2A veins are close together on strike and on dip and the intervening 10 or 15 feet of rock carries low grade mineralization, it may be feasible or economical to mine out both veins together in a single stope, which may be at least about 30 feet wide. A scale model, constructed with clear plastic materials, of all the surface drill holes permits a three-dimensional view of the gold intersections. It suggests that the main ore structures have an essentially northeasterly trend, which is distorted by drag-folds having an east-west axis and north dip.
- (3) More detailed and deeper drilling of the No. 3 gold-bearing zone has a good chance of outlining mineable shoots relatively close to the underground workings, which could result in a substantial increase in the gold ore tonnage at present indicated on the property.



- (4) Additional surface drilling is also warranted in the No. 4 gold-bearing zone.
- (5) A magnetometer survey and geological survey of the entire property shows a complex pattern of high and low readings, and localized anomalous rock conditions, which are diagnostic of geological structures similar to the No. 2 ore area, and which should be investigated by a large programme of surface drilling.

#### CONCLUSIONS AND RECOMMENDATIONS

- (1) The surface diamond drilling of 37 holes totalling 13,995 feet has indicated 87,000 tons of gold ore in the No. 1, 2A and 2B veins. The average, uncut drill hole grade of this total tonnage is 1.15 oz. gold per ton. The average cut grade, established arbitrarily by reducing each of the higher individual uncut values to the uncut average, is 0.74 oz. gold per ton. The grade of the No. 2 zone ore as indicated by the mining and sampling of 1,956 tons from both levels and raises, is 0.87 oz. gold per ton.
- (2) An additional 76,000 tons grading 0.086 oz. gold per ton, is provisionally indicated in the 2A vein eastern extension, the 2C vein, the 2D vein and the 2E, 2F and 2G gold-bearing zones.
- (3) It is recommended that:
  - (a) Mining of the No. 2 zone be continued.
  - (b) Deeper drilling of the No. 2 zone below the 400-foot level be carried out from the 201 - N. X cut on the 400-foot level, bearing in mind the east rake of the ore.
  - (c) Additional, deeper surface drilling at least to the 400-foot horizon of the No. 3 zone be instigated.
  - (d) Additional lateral and deeper drilling of the No. 4 zone be carried out.
  - (e) The various other favourable structural locations on your Range II claims be explored by surface drilling.
- (4) Costs are estimated at \$20,000 per month for mining and milling, plus \$6,000 per month for surface drilling for 6 months (12,000 feet).

Toronto, Ontario  
April 6th, 1962.

Submitted by,  
W. N. INGHAM, Ph.D.,  
Consulting Geologist.

#### CERTIFICATE

1. I am Walter Norman Ingham, Consulting Geologist, with office and residence at 2617 Bayview Avenue, Toronto, Ontario.
2. I graduated from McMaster University, in 1938, with the degree of Bachelor of Arts in Geology. I graduated from the University of Toronto with the degree of Master of Arts in Geology in 1940. I received the degree of Doctor of Philosophy in Economic Geology from the University of Toronto, in 1944.
3. I am a member of the Canadian Institute of Mining and Metallurgy, and a Charter Fellow of the Geological Association of Canada.
4. I hold no interest, either directly or indirectly, in the mining properties described in this report, or in any Malartic Hygrade property, nor do I expect to hold such interest.
5. I hold no shares in MALARTIC HYGRADE GOLD MINES LIMITED, but I may purchase shares at a later date.
6. The information on the Malartic Township property is based on a personal intimate knowledge of the area gained while carrying out geological mapping and mining property examinations for the Quebec Department of Mines during 1944 to 1956. The geological maps were copied from a larger sheet of the S. E. quarter of Malartic Township, which I personally compiled for publication by the Quebec Department of Mines in 1949. Reference to gold values in drill holes by former owners of parts of the property is taken from reports written by myself and published as follows:
  - (1) Que. Dept. Mines P. R. No. 190, Part III, 1945, p. 3-6.
  - (2) Que. Dept. Mines P. R. No. 205, Part II, 1947, p. 50.
  - (3) Que. Dept. Mines P. R. No. 227, 1949, p. 94-98, and p. 100.

I personally spotted the holes as well as logged and sampled all of the core from the 50 holes comprising 19,371 feet put down on the Malartic property during November, 1959 to December, 1960. I have geologically mapped and made numerous underground examinations of the mine workings completed to date.

The information in the section of this report describing the Villemontel Township property is based partly on geophysical measurements made by D. Audet, Val d'Or, Quebec; and R. Masse, P. Eng., Montreal, Quebec. A personal knowledge of the area was gained while carrying out geological mapping and mining property examinations for the Quebec Department of Mines, Mineral Deposits Branch. I have personally visited each of the properties of the neighbouring companies said to have mineral deposits. I have prepared a report for the Quebec Department of Mines in 1956, as yet unpublished, describing the results of the four drill holes on the Lavandin property, formerly held by Quebec Tantalum and Lithium Mining Company Limited. It is also based on personal interpretation of the geophysical surveys and personal locating, logging and sampling of the 7,653 feet of diamond drilling carried out in 1958.

The information on the Vauquelin Township property is based on maps published by the G. S. C., and by the Quebec Department of Mines, and on numerous personal visits to this area when I was employed as a geologist by the Quebec Department of Mines, and on reports written by myself on the results of exploration on the other mining properties nearby.

I have personally visited all the mining properties mentioned in this report and said to have deposits of gold or other economic minerals.

Toronto, Ontario.  
April 6th, 1962.

W. N. INGHAM, Ph. D.,  
Consulting Geologist.

The foregoing is hereby certified to be a full, true and complete copy of a report of Dr. W. N. Ingham, Ph. D., Consulting Geologist, dated April 6th, 1962 and submitted to Malartic Hygrade Gold Mines Ltd.



**MALARTIC HYGRADE GOLD MINES LIMITED**  
(Incorporated under the laws of the Province of Ontario)

**BALANCE SHEET AS AT MARCH 31, 1962**

**ASSETS**

**CURRENT**

|                                      |             |              |
|--------------------------------------|-------------|--------------|
| Cash.....                            | \$ 1,205.81 |              |
| Accounts receivable.....             | 27,746.98   |              |
| Bullion at net realizable value..... | 69,033.12   | \$ 97,985.91 |

**FIXED — at cost**

|   |                |              |
|---|----------------|--------------|
| Mining properties.....                  | \$1,750,000.00 |              |
| Buildings, machinery and equipment..... | 878,397.93     | 2,628,397.93 |

**OTHER ASSETS AND DEFERRED CHARGES**

|   |               |            |
|---|---------------|------------|
| Development and administrative expenditures as per statement..... | \$ 308,514.22 |            |
| Hydro deposit.....  | 2,500.00      |            |
| Incorporation and organization expenses.....                      | 2,500.00      | 313,514.22 |

|                   |  |                       |
|-------------------|--|-----------------------|
| TOTAL ASSETS..... |  | <u>\$3,039,898.06</u> |
|-------------------|--|-----------------------|

**LIABILITIES**

**CURRENT**

|   |              |               |
|---|--------------|---------------|
| Accounts payable and accrued liabilities .....      | \$ 96,382.06 |               |
| Notes payable — Tri-Cor Mining Company Limited..... | 21,000.00    | \$ 117,382.06 |

|   |  |           |
|---|--|-----------|
| MORTGAGE PAYABLE — Royal Canadian Ventures Limited..... |  | 24,000.00 |
|---|--|-----------|

|                        |  |                      |
|------------------------|--|----------------------|
| TOTAL LIABILITIES..... |  | <u>\$ 141,382.06</u> |
|------------------------|--|----------------------|

**CAPITAL STOCK**

**AUTHORIZED:**

|   |  |                       |
|---|--|-----------------------|
| 5,000,000 Shares, par value \$1.00 each ..... |  | <u>\$5,000,000.00</u> |
|---|--|-----------------------|

**ISSUED FOR:**

|   |                |                       |
|---|----------------|-----------------------|
| Assets acquired 2,898,261 shares.....             | \$2,898,261.00 |                       |
| Cash <span style="float: right;">255</span> ..... | 255.00         |                       |
| 2,898,516   |                | <u>2,898,516.00</u>   |
|   |                | <u>\$3,039,898.06</u> |

The accompanying notes form an integral part of this balance sheet and should be read in conjunction therewith.

**APPROVED ON BEHALF OF THE BOARD:**

H. PAUL HENDERSON, Director,  
J. P. CAPLAN, Director.

**AUDITORS' REPORT**

We have examined the balance sheet of MALARTIC HYGRADE GOLD MINES LIMITED as at March 31, 1962. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the above balance sheet presents fairly the financial position of the company as at March 31, 1962, and the results of its operations for the period from inception of the Company, July 21, 1961, to March 31, 1962.

PAPE, STROM, SHERMAN & COMPANY  
Chartered Accountants.

Toronto, Canada,  
April 13, 1962.

**NOTES TO BALANCE SHEET AS AT MARCH 31, 1962**

- (1) The company issued at par, as fully paid and non-assessable, 2,898,261 shares, having a par value of \$1.00 each, to Lavandin Mining Company (no personal liability), from which the following net assets were acquired and the following liabilities were assumed:

**ASSETS ACQUIRED**

|  |              |                |
|--|--------------|----------------|
| Cash.....  | \$ 16,897.09 |                |
| Mining properties.....                                       | 1,750,000.00 |                |
| Buildings, machinery and equipment.....                      | 857,688.23   |                |
| Deferred mine development costs.....                         | 250,000.00   |                |
| Due from Province of Quebec reshare of cost of roadways..... | 22,560.62    |                |
| Deposits.....  | 3,400.00     |                |
| Incorporation and organization expenses.....                 | 1,335.00     | \$2,901,880.94 |

**LIABILITIES ASSUMED**

|                       |  |          |
|-----------------------|--|----------|
| Accounts payable..... |  | 3,619.94 |
|-----------------------|--|----------|

|                          |  |                       |
|--------------------------|--|-----------------------|
| NET ASSETS ACQUIRED..... |  | <u>\$2,898,261.00</u> |
|--------------------------|--|-----------------------|



- (2) The company has granted to seven (7) individuals, who are directors, employees or consultants of the company, by agreement dated September 8, 1961, options to acquire 154,000 shares of the capital stock of the company at the following prices and before the dates set out herein:

| No. of shares | Dates exercisable | Price  |
|---------------|-------------------|--------|
| 22,000        | April 1, 1962     | \$1.00 |
| 22,000        | July 1, 1962      | 2.00   |
| 22,000        | October 1, 1962   | 3.00   |
| 22,000        | January 1, 1963   | 4.00   |
| 22,000        | July 1, 1963      | 5.00   |
| 22,000        | January 1, 1964   | 6.00   |
| 22,000        | July 1, 1964      | 7.00   |
| 154,000       |                   |        |

- (3) Notes payable to Tri-Cor Mining Company Limited, as shown, bear interest at the rate of six (6) per cent per annum, and are payable upon demand.
- (4) Mortgage payable to Royal Canadian Ventures Limited, as shown, bears interest at the rate of three (3) per cent per month, and is payable upon demand after June 30, 1962. This mortgage is secured by a first charge against all the assets of MALARTIC HYGRADE GOLD MINES LIMITED.
- (5) Bullion at net realizable value, as shown, includes gold bullion at the mill, in the amount of \$27,009.60; and ore in stockpile at the mine site, valued at \$42,023.52, according to average assays of each mine carload of ore, and reduced by estimated trucking and milling costs and a reasonable allowance for shrinkage.

DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES  
AS AT MARCH 31, 1962

|   |              |               |  |
|---|--------------|---------------|--|
| DEVELOPMENT EXPENDITURES                          |              |               |  |
| Mine development.....                             | \$291,447.43 |               |  |
| Wages.....  | 62,439.56    |               |  |
| Heat and power.....                               | 8,420.89     |               |  |
| Workmen's compensation.....                       | 5,226.00     |               |  |
| Trucking and milling costs.....                   | 4,708.32     |               |  |
| Assays.....                                       | 3,972.25     |               |  |
| Engineers' fees.....                              | 2,306.46     | \$378,520.91  |  |
| ADMINISTRATIVE EXPENDITURES                       |              |               |  |
| Travelling.....                                   | \$ 5,583.85  |               |  |
| Transfer agent's fees and expenses.....           | 4,483.45     |               |  |
| Advertising.....                                  | 3,852.16     |               |  |
| Interest on loans and mortgages.....              | 2,889.76     |               |  |
| Accounting and audit fees.....                    | 2,710.80     |               |  |
| Taxes and licenses.....                           | 2,441.60     |               |  |
| Shareholders' information and publicity.....      | 1,263.62     |               |  |
| Insurance.....                                    | 998.19       |               |  |
| Office rent and services.....                     | 900.00       |               |  |
| Postage, printing and stationery.....             | 808.08       |               |  |
| Telephone and telegraph.....                      | 544.76       |               |  |
| Miscellaneous.....                                | 381.32       | 26,857.59     |  |
|   |              | \$405,378.50  |  |
| Less — Interest earned .....                      | \$ 84.18     |               |  |
| Bullion recovery .....                            | 96,780.10    | 96,864.28     |  |
| DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES ..... |              | \$ 308,514.22 |  |



# CANADIAN STOCK EXCHANGE

## STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL AS TO ENTITLEMENT

as of March 30th, 1962

| FREE STOCK   | Shares    | Shares    |
|--|-----------|-----------|
| (a) Distributed and in the hands of the public (exclusive of the promoters, officers and directors of the Company and their agents or trustees). | 1,909,272 |           |
| (b) Distributed and in hands of the promoters, officers and directors of the Company and their agents or trustees.                               | 551,334   |           |
| Total free stock:  |           | 2,460,606 |
| POOLED STOCK:  |           |           |
| (c) Held in pool as per listing application  |           | 437,910   |
| Total issued capital:  |           | 2,898,516 |

### RECORD OF SHAREHOLDERS:

|   |       |
|---|-------|
| Number of registered shareholders holding shares in class (a) | 2,667 |
| Number of registered shareholders holding shares in class (b) | 6     |
| Number of registered shareholders holding shares in class (c) | 19    |

The classification of the shareholders as at March 30th, 1962 is as follows:

| NUMBER |                       | SHARES    |
|--------|-----------------------|-----------|
| 2,300  | Holders of 1 to 1,000 | 786,649   |
| 351    | " " 1,001 " 10,000    | 967,366   |
| 11     | " " 10,001 " 25,000   | 171,501   |
| 2      | " " 25,001 " 50,000   | 54,000    |
| 3      | " " 50,001 and over   | 919,000   |
| 2,667  | Stockholders          | 2,898,516 |









## ANNOUNCING THE INSTALLATION AND COMPLETION OF THE MINING PLANT AT THE PAQUETTE MINE

### Officers of the Company

GERARD PAQUETTE

President

NIELS Ae ANDERSEN

Vice-President

J. P. CAPLAN

Secretary

W. D. B. FREER

Treasurer

PAUL HENDERSON

Chairman of the Board

The Directors of Malartic Hygrade Gold Mines Ltd. are pleased to announce the completion and official opening of the mining plant at the Paquette Mine, Val d'Or, Quebec.

The event was marked by a visit from a group of 25 leading Canadian geologists Saturday, December 9th, when they inspected the mining plant, a model of the surface drill holes and also the deposit underground.

Discovered originally by Gerard Paquette, the Company's President, a successful 14 months' diamond drilling program ended in December, 1960 and work started in January this year on the construction of a 2½-mile road into the mine-site, which was completed in April, making it possible to begin work on the mining plant. This includes a 90' Headframe, a 6-transformer 2000 h.p. power station, machine shop, hoist room, Dry, and mine office.

The modern steel and concrete buildings are equipped with every modern convenience for the efficiency and comfort of the staff and mining crews.

The Company expresses its appreciation to the staff, composed of Dr. W. N. Ingham, Superintendent O. Hamel, Chief Engineer W. Salisbury, and Assistant Engineer J. P. Lessard, and to the mining crews for their magnificent team work and co-operation in carrying out so well and in record time, such an ambitious building and development program.

Underground work is continuing throughout the winter on this new gold discovery, for the purpose of adding to the known ore reserves.

Ore studies are being made in preparation for construction of the mill.

Gerard Paquette, President.

## MALARTIC HYGRADE GOLD MINES LTD.

Head Office: Suite 608 - 80 Richmond St. W., Toronto 1, Canada



